



COMPLIANCE REQUIREMENTS BY FUNCTIONAL AREA

Disclosures/Notices

Truth in Lending Act

Regulation Z

12 CFR 226

A. Open-End Credit, Subpart B

Early Disclosures: Credit Card Applications and Solicitations

[Section 226.5a]

The creditor must disclose the items listed under Section 226.5a(b) on or with a solicitation or an application to open a credit or charge card account. Most of the disclosed items must be provided in a prominent location in the form of a table with headings, content, and format substantially similar to any of the applicable tables found at Appendix G of the regulation. The other disclosures must be provided either in the table or clearly and conspicuously elsewhere on or with the application or solicitation.

Note special rules for disclosures in connection with:

- | | |
|--|-------------------|
| 1. Direct-mail applications and solicitations | Section 226.5a(c) |
| 2. Telephone applications and solicitations | Section 226.5a(d) |
| 3. Applications and solicitations made available to the general public | Section 226.5a(e) |

Early Disclosures: Home-Equity Plan Applications

[Section 226.5b]

The creditor must provide (1) the disclosures set forth in Section 226.5b(d) (grouped together and segregated from all unrelated information) and (2) the home equity brochure referenced in Section 226.5b(e) in connection with applications for open-end credit plans secured by the consumer's dwelling. The disclosures and brochure must be provided at the time the application is furnished to the consumer, or no later than three business days after receiving a telephone application, an application from a magazine or other publication, or an application through an intermediary agent or broker.

Initial Disclosure Statement

[Sections 226.5(b)(1) and 226.6]

The creditor must provide the initial disclosure statement containing the items described in Section 226.6 before the first transaction is made under the open-end credit plan.

Periodic Statement

[Sections 226.5(b)(2) and 226.7]

In connection with open-end credit transactions, the creditor must mail or deliver a periodic statement for each billing cycle ending with a debit or credit balance of more than \$1 or on which a finance charge has been imposed. The periodic statement must be delivered at least 14 days prior to the date by which or the time period within which the new balance



Disclosures/Notices

(or any portion thereof) must be paid to avoid additional finance charges. The periodic statement must include the items specified in Section 226.7, to the extent applicable.

Disclosures: Supplemental Credit Devices and Additional Features [Section 226.9(b)]

If a creditor adds a credit feature or furnishes a credit device on the same finance charge terms after 30 days following delivery of the initial disclosure statement, the creditor must disclose that it is for use in obtaining credit under the terms previously disclosed before the consumer uses the feature or device for the first time.

If a credit feature is added or a credit device furnished and the finance charge terms for the feature or device differ from the those previously disclosed, the creditor must provide the applicable disclosures from Section 226.6(a) before the consumer uses the new feature or device.

Change in Terms Notice [Section 226.9(c)(1) and (2)]

The creditor must provide a 15-day advance written notice to each consumer affected by a change in any term disclosed in the initial disclosure statement or an increase in the required minimum periodic payment. No notice is required in the case of late-payment charges, over-the-limit charges, consumer default or delinquency, or any other related occurrences detailed in Section 226.9(c)(2).

Notice for Home-Equity Plans [Section 226.9(c)(3)]

If a creditor prohibits additional extensions of credit or reduces the credit limit applicable to a home-equity plan (based on Section 226.5b(f)(3)(i) or (vi)), written notice of the action must be mailed or delivered to each affected consumer not later than three business days after the action is taken. The notice must specify specific reasons for the action, and if reinstatement of credit privileges must be requested by the consumer, the notice must state that fact.

Disclosures upon Renewal of Credit Card [Section 226.9(e)]

A card issuer that imposes any annual or other periodic fee for the renewal of a credit card account (including fees based on account activity or inactivity) must mail or deliver written notice of the renewal to the cardholder, containing the information and provided within time frame set forth in Section 226.9(e).

Change in Credit Card Account Insurance Provider [Section 226.9(f)]

A card issuer must mail or deliver written notice of any intended change in the provider of insurance for repayment of all or part of the outstanding balance of an open-end credit card account not less than 30 days before the change occurs. The notice must include



the items specified in Section 226.9(f)(1), as applicable. The card issuer must also provide written notice after the change, including certain additional information specified in Section 226.9(f)(2), as applicable. A combined notice may be provided if mailed or delivered not less than 30 days before the change.

Liability of Cardholder for Unauthorized Use

[Section 226.12(b)]

A cardholder may not be held liability for unauthorized use of a credit card unless the card issuer has provided “adequate notice” of (1) the cardholder’s maximum potential liability and (2) the means by which the card issuer may be notified of loss or theft of the card. The notice must state that the cardholder’s liability will not exceed \$50 (or a lesser amount) and that the cardholder may give oral or written notification. It must also describe a means of notification, such as a telephone number, an address, or both.

“Adequate notice” means a printed notice that clearly lays out the pertinent facts so that the cardholder may reasonably be expected to have noticed it and understood its meaning. It may be given by any means reasonably assuring receipt by the cardholder.

Notification to Card Issuer Regarding Unauthorized Use

[Section 226.12(b)(3)]

A cardholder is considered to have furnished notification to a card issuer when reasonable steps have been taken to provide the card issuer with the pertinent information about the loss, theft, or possible unauthorized use of a credit card. Notification may be given in person, by telephone, or in writing.

Billing Error Notice

[Section 226.13(b)]

A consumer may assert that the occurrence of a “billing error” (see Section 226.13(a) for specific definition) by providing a written notice that (1) is received by the creditor within 60 days after transmission of the periodic statement reflecting the error; (2) enables the creditor to identify the consumer’s name and account number; and (3) indicates the perceived reasons that an error exists and the type, date and amount of the error.

Creditor Response to Billing Error Investigation

[Section 226.13(c), (e), (f), and (g)]

The creditor must provide, within the required time periods, the appropriate notification(s) to the consumer in response to a billing error notice following a reasonable investigation. The type of notice(s) to be delivered depends upon whether the creditor determines that a billing error has occurred as asserted or whether a different billing error or no billing error has occurred.



Disclosures/Notices

Notice of Right to Rescind

[Section 226.15]

In any transaction subject to rescission, the creditor must deliver two copies of the notice of the right to rescind to each consumer entitled to rescind which contains the information and is in the format specified in Section 226.15(b).

Notice of Exercise of Right of Rescission

[Section 226.15(a)]

To exercise the right to rescind, the consumer must notify the creditor of the rescission by mail, telegram, or other means of written communication within the specified time period.

Consumer's Waiver of Right to Rescind

[Section 226.15(e)]

The consumer may modify or waive the right to rescind if the consumer determines that the credit extension is needed to meet a bona fide personal emergency by taking the following action: provide the creditor a dated written statement that describes the emergency, specifically modifies or waives the right to rescind, and bears the signatures of all the consumers entitled to rescind.

Use of Annual Percentage Rate in Oral Disclosure

[Section 226.26(a)]

In response to a consumer's inquiry about the cost of open-end credit, the creditor is allowed to state only the annual percentage rate(s), except that the periodic rate(s) also may be stated.

B. Closed-End Credit, Subpart C

Closed-End Credit Disclosures

[Sections 226.17 and 18]

Prior to the consummation of a closed-end credit transaction, the creditor must provide the disclosures required by Section 226.18 in a clear and conspicuous written form that the consumer may keep. The disclosures must be grouped together and may not contain any unrelated information.

Early Good Faith Estimates of Disclosures

[Section 226.19(a)]

In a residential mortgage transaction subject to RESPA, the creditor must make good faith estimates of the disclosures required by Section 226.18 prior to consummation or must mail or deliver them not later than three business days after receipt of the consumer's written application, whichever is earlier. Redislosure is required at the time of consummation under certain circumstances described in paragraph (a)(2).



Disclosures/Notices

Disclosures for Certain Variable Rate Transactions

[Section 226.19(b)]

If the APR may increase after consummation of a transaction secured by the consumer's principal dwelling with a term greater than one year, the creditor must provide, at the time of application or before the consumer pays a nonrefundable fee (whichever is earlier), the following information detailed in Section 226.19(b): (1) the Consumer Handbook on Adjustable Rate Mortgages and (2) a loan program disclosure for each variable-rate program of interest to the consumer containing the information described in Section 226.19(b)(2).

Disclosures for Refinancings

[Section 226.20(a)]

New disclosures must be provided to a consumer in connection with any "refinancing." A refinancing occurs when an existing obligation previously subject to Subpart C of Regulation Z is satisfied and replaced by a new obligation undertaken by the same consumer.

Disclosures for Assumptions

[Section 226.20(b)]

Prior to the occurrence of an "assumption," the creditor must make new disclosures to the subsequent consumer, based on the remaining obligation. An "assumption" occurs when a creditor expressly agrees in writing with a subsequent consumer to accept that consumer as a primary obligor on an existing residential mortgage transaction.

Notice of Right to Rescind

[Section 226.23]

In a transaction subject to rescission, the creditor must deliver two copies of the notice of the right to rescind to each consumer entitled to rescind which contains the information and is in the format specified in Section 226.23(b).

Notice of Exercise of Right of Rescission

[Section 226.23(a)]

To exercise the right to rescind, the consumer must notify the creditor of the rescission by mail, telegram, or other means of written communication within the specified time period.

Consumer's Waiver of Right to Rescind

[Section 226.23(e)]

The consumer may modify or waive the right to rescind if the consumer determines that the credit extension is needed to meet a bona fide personal emergency by taking the following action: provide the creditor a dated written statement that describes the emergency, specifically modifies or waives the right to rescind, and bears the signature of all the consumers entitled to rescind.



Disclosures/Notices

Use of Annual Percentage Rate in Oral Disclosure

[Section 226.26(b)]

In response to a consumer's inquiry about the cost of closed-end credit, the creditor is allowed to state only the annual percentage rate, except that a simple annual rate or periodic rate may also may be stated if it is applied to an unpaid balance.

C. Special Rules for Certain Home Mortgage Transactions, Subpart E

Disclosures for Certain Closed-End and Reverse Mortgages [Section 226.31, 32 and 33]

Special disclosure requirements apply in the case of (i) certain closed-end home mortgages (where the APR or total points and fees payable by the consumer exceed a prescribed amount) as described in Section 226.32 and (ii) reverse mortgages as defined in Section 226.33. The content of the disclosures for these two types of mortgages is defined in Sections 226.32 and 226.33, respectively, and the form, timing and other aspects of these disclosures are described in Section 226.31.

Real Estate Settlement Procedures Act

Regulation X

24 CFR 3500

Special Information Booklet

[Section 3500.6]

The lender must provide a copy of the special information booklet (as described in Sections 3500.2 and 3500.6) to a person from whom the lender receives or for whom the lender prepares a written application for a federally related mortgage loan. When two or more persons apply together, the lender complies by giving the booklet to one of them. The booklet must be mailed or delivered to the applicant not later than three business days after the application is received or prepared. However, if the application is denied before the end of the three day period, the lender need not provide the booklet to the borrower. In addition, the lender does not have to provide the booklet in the case of: (i) refinancing transactions; (ii) closed-end subordinate lien loans; (iii) reverse mortgages; and (iv) any other mortgage loan not involving the purchase of a one- to four-family residential property.

Good Faith Estimate

[Section 3500.7]

The lender must provide all applicants with a good faith estimate (GFE) of the amount of or range of charges for the specific settlement services the borrower is likely to incur in connection with the settlement. The GFE must contain the information specified in Section 3500.7(c), and estimates must be made in good faith, reasonable, and based on experience in the locality of the mortgaged property. In addition, if the lender requires use of a particular provider of settlement services and requires the borrower to pay any portion of



Disclosures/Notices

the costs, the GFE must include additional information as specified in Section 3500.7(e). The form of the GFE is described in Section 3500.7(d).

The GFE must be mailed or delivered to the applicant not later than three business days after the application is received or prepared. However, if the application is denied within the three day period, the GFE need not be provided. In the case of open-end home equity lines covered by Regulation Z, no GFE need be provided if disclosures required by 12 CFR 226.5b are provided at the time of application.

HUD-1/HUD-1A Settlement Statements

[Sections 3500.8, 3500.9 and 3500.10]

The HUD-1 Settlement Statement must be used in every settlement involving a federally related mortgage loan in which there is a borrower and a seller. For transactions in which there is no seller, such as a refinance or subordinate lien loan, the borrower's side of the HUD-1 or the HUD-1A form may be used. The HUD-1 must itemize all charges imposed on the borrower and seller by the lender, all sales commissions, and any other charges which either the borrower or seller will pay at settlement. Charges paid outside of settlement are labeled as "P.O.C." on the HUD-1 and are not included in computing totals. The use of the HUD-1 or HUD-1A is exempted for open-end lines of credit (home equity plans) covered by the Truth in Lending Act and Regulation Z.

The completed HUD-1 or HUD-1A must be available for inspection by the borrower one day prior to closing. It must also be given to the borrower, seller and lender, or their agents, no later than closing unless the right of delivery has been waived by the borrower, in which case the HUD-1 must be mailed or delivered as soon as practicable. If the borrower is not represented at closing, the HUD-1 must be mailed or delivered as soon as practicable.

Affiliated Business Arrangement Disclosure Statement

[Section 3500.15]

An affiliated business arrangement is an arrangement in which a person in a position to refer settlement service business has either an affiliate relationship with or an ownership interest of more than one percent in a provider of settlement services, and such person refers business to that provider or affirmatively influences the selection of that provider.

In order for this arrangement not to violate Section 8 of RESPA, certain conditions must be met including a requirement that the person making the referral provides a written disclosure to the customer in the format set forth in Appendix D to Regulation X at the time of referral or the time of application (if the provider is required by the lender). The disclosure is designed to (i) specify the nature of the relationship (explaining the ownership and financial interest) between the parties giving and receiving the referral and (ii) describe the estimated charge or range of charges generally made by the provider of settlement services.



Disclosures/Notices

Initial Escrow Account Statement

[Section 3500.17]

After conducting an initial escrow analysis to determine the amount of the borrower's escrow payment at closing and for the first year, the lender must submit an initial escrow account statement to the borrower either at settlement or within 45 days after settlement. When the statement is provided at closing, it may be incorporated into or attached to the HUD-1 or HUD-1A Settlement Statement. If the account is established after settlement, the initial escrow statement must be provided within 45 days of establishing the account. The statement must include the information specified in Section 3500.17(g) and should be substantially in the format set forth in Section 3500.17(h).

Annual Escrow Statement

[Section 3500.17]

For each escrow account, the servicer must submit an annual escrow statement to the borrower within 30 days of the completion of the escrow computation year after conducting an escrow account analysis. The escrow year begins with the borrower's first payment. The statement must contain all of the information set forth in Section 3500.17(i) and should be substantially in the format set forth in Section 3500.17(j). The annual escrow account statement is designed to provide an account history, reflecting the activity in the account during the past year along with a projection of the activity in the account for the next year.

Notice of Shortage or Deficiency in Escrow Account

[Section 3500.17(f)]

The servicer must notify the borrower at least once during the escrow account computation year if there is a shortage or deficiency in the escrow account. The notice may be part of the annual escrow account statement or it may be a separate document.

Servicing Disclosure Statement

[Section 3500.21(b)]

Each person who applies for a covered loan must be provided with a servicing disclosure statement which explains the process of transferring servicing rights and the ramifications of the process on the applicant. It primarily discloses information about the likelihood of an assignment, sale or transfer of the loan. The servicing disclosure statement should contain the information specified in Section 3500.21(b). The statement must be provided at the time the application is submitted or within three business days after submission of the application. However, if the application is denied within the three day period, the servicing disclosure statement need not be given to the applicant. Each applicant or co-applicant must sign an acknowledgment of receipt of the servicing disclosure statement before settlement.



Notices of Transfer of Loan Servicing

[Section 3500.21(d)]

If servicing is assigned, sold, or transferred, both the transferor and transferee servicers must provide the borrower a written notice of transfer containing information specified in Section 3500.21(d). The transferor must deliver this notice at least 15 days before the effective date of the transfer. The transferee's notice must be given no later than 15 days after the effective date of the transfer. Alternatively, the transferor and transferee may use a combined notice if delivered at least 15 days before the effective date of the transfer. In limited situations specified in the Section 3500.21 (such as, for example, bankruptcy proceedings against the servicer) the notice may be delivered by the transferor or transferee no later than 30 days after the effective date of the transfer.

Home Mortgage Disclosure Act Regulation C

12 CFR 203

Modified Loan/Application Register (LAR)

[Section 203.5(c) and (d)]

The lender must make its LAR available for public inspection upon request after modifying it to protect the privacy interests of applicants and borrowers by deleting: (1) the application or loan number; (2) the date of receipt of the application; and (3) the date of action taken. The modified LAR must be available following the calendar year for which the data relates, no later than March 31 for requests received on or before March 1 and within 30 days for requests received after March 1. The lender must make its modified register available for a three year period.

Disclosure Statement

[Section 203.5(b)]

The institution's disclosure statement, prepared by the Federal Financial Institutions Examination Council (FFIEC), must be made available to the public for inspection and copying at its home office within 3 business days after receiving it from the FFIEC.

In addition, the institution must do either one of the following:

- make the statement available in at least one office in each additional MSA where it has offices within 10 business days of receipt from the FFIEC; or
- post the address for sending written requests for the statement in the lobby of each branch office in an MSA where it has offices, and mail or deliver a copy of the statement within 15 calendar days of receipt of a written request.

The lender must make the disclosure statement available to the public for a five year period.



Disclosures/Notices

Lobby Notice

[Section 203.5(e)]

The institution must post a general notice about the availability of its HMDA data in the lobby of its home office and of each branch office located in an MSA.

National Flood Insurance Act

OTS Implementing Regulations

12 CFR 572

Standard Flood Hazard Determination Form

[Section 572.6]

When an institution makes, increases, extends, or renews any loan secured by a building or a mobile home and any personal property, it must use the standard flood hazard determination form developed by FEMA to determine whether the building or mobile home offered as security for the loan will be located in a Special Flood Hazard Area (SFHA) in which flood insurance is available under the National Flood Insurance Act.

Notice to Borrower and Servicer

[Section 572.9]

When an institution makes, increases, extends or renews a loan secured by a building or a mobile home located or to be located in a SFHA, the institution must provide a written notice to the borrower and servicer. The notice must be provided regardless of whether the property securing the loan is located in a participating or non-participating community. The notice must contain: (1) a warning that the building or mobile home is or will be located in a SFHA; (2) a description of the flood insurance purchase requirements; (3) a statement whether flood insurance coverage is available under the National Flood Insurance Program and may also be available from private insurers; and, (4) a statement whether federal disaster relief assistance may be available in the event of damage to the building or mobile home caused by flooding in a federally declared disaster.

The notice to the borrower must be delivered within a “reasonable” time before completion of the transaction. The notice to the servicer must be delivered as promptly as practicable after the notice to the borrower, but no later than the time the institution transmits other loan data concerning hazard insurance and taxes to the servicer. A copy of the borrower notice can satisfy the servicer notice requirement.

The regulations permit an alternate notice provision by which an institution may rely on assurances from a seller or lessor that the seller or lessor has provided the requisite notice to the purchaser or lessee.



Disclosures/Notices

Notice of Servicer's Identity

[Section 572.10]

An institution must notify the Director of FEMA's designee (e.g., the insurance carrier) of the identity of the loan servicer and of any change in the servicer. This notice must be sent within 60 days after the effective date of the transfer of servicing. The notice must be sufficient for the insurance carrier to identify the property securing the loan and the new servicer and its address.

Equal Credit Opportunity Act Regulation B

12 CFR 202

Providing Appraisal Reports

[Section 202.5a]

A creditor must provide a copy of the appraisal report used in connection with an application for credit to be secured by a lien on a dwelling, either as a matter of routine delivery or upon written request by the applicant who has been notified in writing of their right to obtain a copy. The notice of the right to receive a copy of the appraisal report must be given no later than when the creditor provides the notice of action taken under Section 202.9. The creditor must mail or deliver a copy of the appraisal report generally within 30 days of the request.

Notification of Action Taken

[Section 202.9(a)]

The creditor must notify an applicant of the action taken on a credit application, in accordance with the requirements of Section 202.9. The notification must be in writing and must include a statement of the action taken, the name, address and telephone number of the creditor, a statement of the provisions of Section 701(a) of the ECOA (see Section 202.9(b)), the name and address of the creditor's federal regulator, and a statement of the specific reasons for the action or the disclosure of the right to obtain such reasons. Generally, the notice must be provided within 30 days after receipt of a completed application. The notification requirements for business credit applicants may vary somewhat as described in Section 202.9(a)(3).

ECOA Notice

[Section 202.9(b)]

When providing a notification of action taken in connection with the requirements of Section 202.9(a), the creditor must provide a statement of the provisions of Section 701(a) of the ECOA that is substantially similar to the language contained in Section 202.9(b).



Disclosures/Notices

Monitoring Information

[Section 202.13]

A creditor must inform applicant(s) for a home mortgage loan that the federal government requests information on race or national origin, sex, marital status and age for monitoring purposes. The creditor must also inform the applicant(s) that if they choose not to provide the information or any part of it, the creditor is required to note on the application form, to the extent possible, the race or national origin and sex on the basis of visual observation or surname.

OTS Nondiscrimination Regulations

12 CFR 528.5

Equal Housing Lender Poster

[Section 528.5]

The institution must maintain an Equal Housing Lender Poster (in the prescribed format and containing the designated language) in the lobby of each of its offices in a prominent place or places readily apparent to all persons seeking loans.

Electronic Fund Transfer Act

Regulation E

12 CFR 205

Initial Disclosures

[Section 205.7]

At the time a consumer contracts for an electronic fund transfer (EFT) service or before the first EFT is made involving a consumer's account, an institution must provide certain initial disclosures to the consumer concerning the terms, conditions, charges, liability, and other matters outlined in Section 205.7(b) relating to the use of EFT service. The disclosures must be clear and readily understandable, in writing, and in a form the consumer may keep. See Appendix A of Regulation E for model disclosure forms.

Change in Terms Notice

[Section 205.8(a)]

An institution must provide consumers with written notice at least 21 days before the effective date of any change in a term or condition required to be disclosed under Section 205.7(b) if the change would result in (1) increased fees, (2) increased liability, (3) fewer types of available EFTs, or (4) stricter limits on the frequency or dollar amount of transfers. Prior notice need not be given if an immediate change is needed for security reasons.

Error Resolution Notice

[Section 205.8(b)]

For each account to or from which EFTs can be made, an institution must provide the consumer annually (or in each periodic statement) with a description of the manner for re-



Disclosures/Notices

solving errors in connection with EFT services. See Appendix A of Regulation E for model forms.

Electronic Terminal Receipts

[Section 205.9(a)]

At the time an electronic transfer is initiated at an electronic terminal by a consumer, the institution shall provide the consumer a written receipt showing the amount of the transfer, date of transfer, type of transfer and account(s) accessed, location of terminal, and other information outlined in Section 205.9(a). Note: the amount of the transfer may include a transaction fee if the amount of the fee is disclosed on the receipt and displayed on or at the terminal.

Periodic Statements

[Section 205.9(b) & (c)]

For any account to or from which electronic fund transfers can be made, the institution shall provide a monthly statement (quarterly, if no transfers have occurred or access is limited to receipt of preauthorized transfers) including a record of each transfer made in the period with date, accounts accessed, location and other information.

Passbook Entries

[Section 205.9(c)]

For passbook accounts that only receive preauthorized transfers, the institution may substitute entry of information on presentation of the passbook by the consumer in place of providing a periodic statement.

Notice for Preauthorized Transfers

[Section 205.10]

Except where the payor provides positive notice to the consumer that a transfer has been made to his account, the institution shall provide oral or written notice within two days or a readily available telephone line that the consumer may call to confirm the status of a preauthorized transfer, as described in Section 205.10(a).

Preauthorized electronic fund transfers (EFTs) from a consumer's account may be authorized only by a writing signed or similarly authenticated by the consumer. Consumers may stop payment of a preauthorized EFT from their account by notifying the institution orally or in writing at least three business days before the scheduled date of the transfer (and an institution may require written confirmation of a stop payment order within 14 days of oral notification). Section 205.10(b) and (c).

Error Investigation Results and Correction

[Section 205.11]

Within 10 days (or 45 days if provisional credit has been given), an institution must notify the consumer of the results of the investigation of an alleged error and any required correction that was made. If the institution determines that no error occurred or that an error



Disclosures/Notices

occurred in a manner or amount that is different from that described by the consumer, the institution must include a written explanation of its findings and note the consumer's right to request the documents relied upon in making its decision. Upon debiting a provisionally credited amount, the institution must (i) notify the consumer of the date and amount of the debiting and (ii) notify the consumer that the institution will honor checks and preauthorized transfers for five business days after the notification.

Expedited Funds Availability Act

Regulation CC

12 CFR 229

New Account Availability Disclosure

[Sections 229.16(b) and 229.17]

Potential customers must be provided with a specific funds availability policy disclosure prior to opening an account. The content of this disclosure must follow the requirements of Section 229.16 and reflect the policy and practices of the institution regarding the availability of deposited funds.

Requesting an Account Availability Disclosure

[Section 229.18(d)]

An institution must provide a copy of its specific availability policy disclosure described in Section 229.16 to any person, upon oral or written request.

Notice of Case-by-Case Holds

[Section 229.16 (c)(1) and (2)]

An institution that has a policy of making deposited funds available for withdrawal sooner than required by the regulation may extend the time when funds are available up to the time periods allowed if:

- (1) the institution provides notice of the possible extension of time for the withdrawal of deposited funds on a case-by-case basis within its specific availability policy disclosure as described in Section 226.16(c)(1);
- (2) the institution provides a written notice to the customer when it actually extends the time when funds will be available on a case-by-case basis for withdrawal in the manner prescribed by Section 229.16(c)(2); and
- (3) a statement that customers should ask if they need to know when a particular deposit will be available for withdrawal.



Disclosures/Notices

Notice of Exception Hold

[Section 229.13(g)]

An institution extending the time when funds will be available for withdrawal based on the application of an exception contained in Section 229.13(b)-(f), must provide the depositor with a written notice as described therein. These exceptions include large deposits, redeposited checks, repeated overdrafts, reasonable cause to doubt collectibility, and emergency conditions.

Deposit Slip Notice

[Section 229.18(a)]

A notice must be included on the front of all preprinted deposit slips stating that deposits may not be available for immediate withdrawal.

Lobby Notice

[Section 229.18(b)]

An institution must post a notice in a conspicuous place in each location where its employees accept deposits to consumer accounts which sets forth the time periods applicable to the availability of funds deposited in a consumer account.

Automated Teller Machine Notice

[Section 229.18(c)]

The institution must post or provide a notice at each ATM location that funds deposited in the ATM may not be available for immediate withdrawal. The notice may be posted on a sign, ATM screen or included on deposit envelopes provided at the ATM.

Institutions operating an off-premises ATM from which deposits are not removed more than two times each week must disclose at or on the ATM the days on which deposits made at the ATM will be considered received. [Section 229.19 (a)(4)]

Notice of Changes in Policy

[Section 229.18(e)]

An institution must deliver a notice to holders of consumer accounts at least 30 days prior to implementing a change to its availability policy regarding such accounts, except that a change resulting in expedited availability of funds may be disclosed not later than 30 days after implementation.

Notice of Nonpayment

[Section 229.33(d)]

An institution receiving a returned check or notice of nonpayment must send notice to its customer of the facts by midnight of the banking day following the banking day that it received the returned check or notice, or within a longer reasonable time.



Truth in Savings Act

Regulation DD

12 CFR 230

Account Disclosures

[Section 230.4(a) and (b)]

Account disclosures, containing the information required by Section 230.4(b), must be provided to consumers before an account is opened or a service provided, whichever occurs first. The disclosures are required to be mailed or delivered no later than 10 business days after an account is opened (or a service provided) if the consumer is not present at such time. Account disclosures must also be provided to consumers upon request; if the consumer is not present, the disclosures must be mailed or delivered within a reasonable time after the request is made.

Subsequent Disclosures for Changes in Terms

[Section 230.5(a)]

Advance notice must be provided to affected consumers concerning any change in account terms or the annual percentage yield (APY) if that change may reduce the APY or adversely affect the consumer. The notice is required to be mailed or delivered at least 30 calendar days before the effective date of the change and should include the effective date of the change.

Notices of Maturity of Time Account

[Section 230.5(b), (c), and (d)]

Institutions must provide notice of maturity of the following types of time accounts:

1. For time accounts with a maturity longer than one month that renew automatically, the notice must be mailed or delivered at least 30 calendar days before the scheduled maturity date (or at least 20 calendar days before the end of a grace period lasting at least 5 calendar days). The content of the notice must meet the requirements of Section 230.5(b).
2. For time accounts with a maturity of one month or less that renew automatically, the notice must be mailed or delivered within a reasonable time after maturity. The content of the notice must meet the requirements of Section 230.5(c).
3. For time accounts with a maturity of longer than one year that do not renew automatically, the notice must be mailed or delivered at least 10 calendar days before maturity. The content of the notice must meet the requirements of Section 230.5(d).



Periodic Statements

[Section 230.6]

If an institution provides a periodic statement in connection with an account, the statement must include certain disclosures specified in Section 230.6. Special rules apply for institutions that use the average-daily-balance method.

Community Reinvestment Act

Regulation BB

12 CFR 563e

CRA Lobby Notice

[Section 563e.44]

The institution must provide a public notice in the lobby of its main office and each of its branches. The notice informs the public of the OTS's obligation to evaluate the institution's CRA performance and encourages public involvement. The contents of this notice must follow the requirements of section 563e.44 and Appendix B of the regulation.

CRA Disclosure Statement

[Section 563e.43(b)(1)(ii)]

The institution must place the CRA Disclosure Statement prepared for it by the OTS in its public CRA file within three business days of its receipt.

Public Section of CRA Performance Evaluation

[Section 563e.43(a)(2)]

The institution must place a copy of the public section of its most recent CRA Performance Evaluation in its public CRA file within 30 business days after receipt from the OTS.

HMDA Disclosure Statement

[Section 563e.43(b)(2)]

Institutions that are required to report home mortgage loan data pursuant to HMDA and Regulation C must include in its public file a copy of its HMDA Disclosure Statement provided by the FFIEC for each of the prior two calendar years. In addition, institutions that elect to have the OTS consider the mortgage lending of an affiliate for any of these years must include the affiliate's HMDA Disclosure Statement for those years in its file. The statement(s) must be placed in the public file within three business days after its (their) receipt.



Disclosures/Notices

Disclosure and Reporting of CRA-Related Agreements

12 CFR 533

CRA Sunshine Regulation

Disclosure of Covered Agreements

[Section 533.6]

A. To Public:

Each NGEF and each IDI or affiliate that enters into a covered agreement after November 12, 1999, must make a copy of the covered agreement available to any individual or entity upon request.

B. To Relevant Supervisory Agency:

- Each NGEF that is a party to a covered agreement must provide a complete copy of the agreement, and if applicable a public version of the agreement.
- Each insured depository institution and affiliate must provide each relevant supervisory agency with:
 - 1) A complete copy of each covered agreement, and if applicable, a public version of the agreement, entered into by the insured depository institution or affiliate during the calendar quarter. The agreement must include the information specified in 533.6(b)(3); or
 - 2) A list of all covered agreements entered into by the insured depository institution or affiliate during the calendar quarter. The list must include the information specified in 533.6(d)(ii).

Consumer Protection for Depository Institution Sales of Insurance

12 CFR 536

Insurance Disclosures

[Section 536.40(a) and 536.40(c)(1)]

A savings association or any covered person must provide the disclosures specified under Section 536.40(a) in connection with the initial purchase of an insurance product or annuity. These disclosures must be made (except to the extent they may not be accurate) orally and in writing before the completion of the initial sale of any insurance product or annuity.



Disclosures/Notices

Credit Disclosures

[Section 536.40(b) and 536.40(c)(1)]

The credit disclosures set forth in Section 536.40(b) must be made orally and in writing at the time a consumer applies for an extension of credit in connection with which an insurance product or annuity is solicited, offered, or sold.

Note special rules for disclosures in connection with:

- | | |
|--|----------------------|
| 1. Direct mail insurance/annuity sales and credit applications | Section 536.40(c)(2) |
| 2. Telephone insurance/annuity sales and credit applications | Section 536.40(c)(3) |
| 3. Electronic media | Section 536.40(c)(4) |

Must be Readily Understandable and Meaningful

[Section 536.40 (c)(5) and (c)(6)]

Disclosures must be readily understandable and provided in a meaningful form. "Readily understandable" means disclosures shall be simple, direct, and designed to call attention to the nature and significance of information provided. The savings association or covered person may use short form insurance disclosures found at Section 536.40 (c)(5) in visual media advertisements and promotional materials.

Ensuring disclosures are "meaningful", requires using one of the methods described in Section 536.40(c)(6) that calls attention to the significance of the information provided. Disclosures are not in a meaningful form if the savings association or covered person does not provide them in printed material and does not orally disclose the information to the consumer.

Consumer Acknowledgment

[Section 536.40(c)(7)]

A savings association or covered person must obtain a written acknowledgment of receipt from the consumer at the time insurance or credit disclosures are provided or at the time of the initial purchase by the consumer of an insurance product or annuity. Consumers may acknowledge receipt of disclosures in paper form or in electronic format. However, special rules in Section 536.4(c)(7) apply for transactions conducted by telephone or mail.

Privacy of Consumer Financial Information

Regulation P

12 CFR 573

Types of Privacy Notices

Initial - A financial institution must provide a clear and conspicuous written notice that accurately reflects its privacy policies and practices. The notice must be provided to a customer "not later than when you establish a customer relationship"; for a consumer, "before



Disclosures/Notices

you disclose any nonpublic personal information about the consumer to any nonaffiliated third party.” If the institution does not disclose information about consumers beyond the section 14 and 15 exceptions, an initial notice is not required. When an existing customer obtains a new financial product or service, the initial notice requirements are met if (1) a revised notice is provided or (2) the initial, annual or revised notice most recently provided to the customer is accurate as to the new product or service.

Annual – A financial institution must provide a clear and conspicuous written notice that accurately reflects the financial institution’s privacy policies and practices not less than annually during the continuation of the customer relationship. “Annually” is defined as at least once in any period of 12 consecutive months during which the relationship exists. The institution may select any 12 consecutive month period, but it must apply it to the customer on a consistent basis. The annual *notice* obligation ceases when the customer relationship ends and the individual becomes a “former customer,” a status conferred differently depending on the type of relationship (e.g., closed-end credit, deposit account) but always in the event that the institution has not communicated with the individual about the customer relationship for a period of 12 consecutive months (other than to provide annual privacy notices or promotional materials).

Revised - A revised notice (and corresponding opt out notice) is required when an institution plans to (i) disclose a new category of nonpublic personal information to any nonaffiliated third party; (ii) disclose nonpublic personal information to a new category of nonaffiliated third party; or (iii) disclose *information* about a former customer who was not previously provided an opt out opportunity. A revised notice is not required, however, when the most current notice provided to the customer is accurate as to the proposed new type of information sharing.

Simplified - If an institution does not disclose, and does not wish to reserve the right to disclose in the future, nonpublic personal information about customers or former customers to affiliates or nonaffiliated third parties beyond the regulation’s exceptions, a simplified notice will suffice. The *institution’s* simplified notice must state: (1) that it does not share information outside the exceptions, (2) the nonpublic personal information it collects, (3) its policies and practices with respect to safeguarding and maintaining the confidentiality of nonpublic personal information, and (4) any descriptions made regarding the nonaffiliated third parties subject to the exceptions.

Short Form - For financial institutions that choose to share information derived from non-customer consumers, the regulation offers a short form option. A clear and conspicuous short form initial notice, delivered *along* with an opt out notice, must state that a full length privacy notice is available upon request and must specify the means by which it can be obtained.